



2014 Infant & Toddler Subsidy Rate Increase Overview



AGENDA

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BACKGROUND

INFANT/ TODDLER CAPACITY	2011 CENSUS (EST.)
Number of Children	20,891
Capacity for Infant/ Toddler	5,338
Slots	-15,553

INFANT/ TODDLER UTILIZATION	
Capacity for Infant/ Toddler	5,338
Enrollment	5,080
Slots	+258 (5%)

Note: National Center for Children in Poverty (2012) says that 50% of infants are generally at home in parental care; as such 50% capacity could lead to universal access for infants. We need an additional 5,000 slots to have universal infant and toddler care.

BACKGROUND- cont.

Subsidy rate comparison of DC and other jurisdictions

Jurisdiction	Infants (0-12 mo.)	Toddlers (13-36 mo.)
District of Columbia	\$40.70 to \$54.41	\$39.83 to \$50.87
Maryland (PG)	\$40.19	
Virginia (Fairfax)	\$57.71	
Georgia	\$28.67	
Oklahoma	\$28.62	
New York	\$68.05	

Note: NY is the only state at 75th Percentile of 2010 market rate which is the federal recommendation.

PURPOSE

Effective October 1, 2013; each provider will receive a 15% increase of their current subsidy reimbursement rate in order to:

- ☐ Enhance the quality of child care through financial supports
- ☐ Assist the community based centers and homes in reaching high- quality standards
- ☐ Increase the availability of high quality programs participating in the Child Care Subsidy Provider Reimbursement Program

NEW RATE

Each provider will receive a 15% increase of their current subsidy reimbursement rate:

Child Care Center

Infant	Current Rate	New Rate
Bronze	\$40.70	\$46.81
Silver	\$47.25	\$54.34
Gold	\$54.41	\$62.57
Toddler	Current Rate	New Rate
Bronze	\$39.83	\$45.80
Silver	\$46.23	\$53.16
Gold	\$50.87	\$58.50

Family Home Provider

Infant	Current Rate	New Rate
Bronze	\$28.49	\$32.76
Silver	\$31.07	\$35.73
Gold	\$35.00	\$40.25
Toddler	Current Rate	New Rate
Bronze	\$27.14	\$31.21
Silver	\$29.23	\$33.61
Gold	\$34.00	\$39.10

PURPOSE

Potential Impact on Centers

Child Care Center Infant	Tier	October Rate	Previous Rate	Difference/ per child this month
	Bronze	\$1,029.82	\$895.40	+ \$134.42
	Silver	\$1,195.48	\$1,039.50	+ \$155.98
	Gold	\$1,376.54	\$1,197.02	+ \$179.52

Child Care Center Toddler	Tier	October Rate	Previous Rate	Difference/ per child this month
	Bronze	\$1,007.60	\$876.26	+ \$131.34
	Silver	\$1,169.52	\$1,017.06	+ \$152.46
	Gold	\$1,287.00	\$1,119.14	+ \$167.86

New reimbursement rate X Number of business days in month = Monthly Reimbursement Rate
 Above rates are based on 22 business days in October

PURPOSE

Potential Impact on Home Providers

Family Home Provider Infant	Tier	October Rate	Previous Rate	Difference/ per child this month
	Bronze	\$720.72	\$626.78	+ \$93.94
	Silver	\$786.06	\$683.54	+ \$102.52
	Gold	\$885.50	\$770.00	+ \$115.50

Family Home Provider Toddler	Tier	October Rate	Previous Rate	Difference/ per child this month
	Bronze	\$686.62	\$597.08	+ \$89.54
	Silver	\$739.42	\$643.06	+ \$96.36
	Gold	\$860.20	\$748.00	+ \$112.20

New reimbursement rate X Number of business days in month = Monthly Reimbursement Rate
Above rates are based on 22 business days in October

PURPOSE

Methodology

- The District of Columbia Office of the State Superintendent of Education reimburses approved licensed child development facilities a daily rate for care based on service type (the age of the child, such as infant or toddler) and location of care (such as a home or center).
- Rates were determined by taking the current rate and increasing it by 15%
 - $\text{FY13 Rate} \times 15\%$
- Recommendations based on 2013 market rate study- a study of licensed Family Home and Child Care Center Providers in the District of Columbia
 - Conducted since 1998
 - Survey done bi-annually

NEXT STEPS

- Rates have been updated in the payment system.
- First payment increase will be included in the November 2013 payment.

For additional questions, please contact:

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